The A. F. of L. Weekly News Service gives news accurate and editorial interpretations of matters affecting labor occurring in the industrial, legislative, and judicial fields, and considers other matters of benefit to the trade union movement.

AMERICAN FEDERATION OF LABOR

WEEKLY NEWS SERVICE

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VICTORY BUY UNITED STATES DEFENSE BONDS AND STAMPS

Thru Payroll Savings

WHOLE NO. 1800 WILLIAM GREEN, President GEORGE MEANY, Secretary-Treasurer VOL. 35, NO. 41

WASHINGTON, D. C., TUESDAY, OCTOBER 9, 1945

LABOR, USA

Washington, D. C.—The fourteenth edition of the American Federationist of the Air, broadcast on the "Labor, USA" program over the American Broadcasting Company network, presented the following outstanding feature articles to supplement the news:

Congress Needs An Overhauling

By LEWIS G. HINES
AFL Legislative Representative

Congress has been the butt of many jokes. Yet what happens in Congress and to Congress is no laughing matter. It is the serious business of every citizen of the United States, for Congress makes the laws that affect all the people of our country.

It is now generally admitted that the legislative machinery of Congress is badly in need of a general overhauling. The American Political Science Association and the National Planning Association have both recommended major repairs. Congress itself has recognized its own failings by appointing a joint committee to study the shortcomings of its present set-up and to develop a plan of reorganization.

Let me emphasize that the American Federation of Labor has the highest respect for Congress as an American institution. Anything that brings Congress into disrepute weakens the fabric of American democracy. It is in this spirit that we wish to discuss reorganization of Congress.

First of all, we believe that the salaries of members of Congress should be substantially increased so that the highest type of public servants can be attracted to serve in Congress. Secondly, we feel that members of Congress should be permitted to concentrate on their legislative duties and should be relieved to a great extent of such burdens as having to find jobs and run errands for constituents.

The committees system in Congress should also be revised. These committees have altogether too much power. A few key men in Congress, serving in important committee posts by virtue of long years of service, can now block action on important legislation in the national interest. This is a problem for Congress itself to solve.

But in the final analysis, reorganization of the physical structure of Congress is not enough. It must be inspired with a new spirit and become more responsive to the will of the people.

In recent weeks we have heard President Truman charge that the Senate had let him down on the unemployment compensation bill. President William Green of the American Federation of Labor, commenting on the same subject, charged that Congress has shown a "callous disregard of human needs" during reconversion.

If Congress wants to get back in the good graces of the American people, it can do so by modernizing its legislative machinery and by putting the needs of the American people first.

"Unemployment Is a National Problem"

By NELSON CRUIKSHANK
AFL Social Security Director

Substantial unemployment, which may rise to sight million by next spring and stay at that level all during 1946 was forecast by Reconversion Director Snyder in a report to the President and to Congress a few days ago.

This is a grave problem. It is a national problem. It must be considered and acted upon at the national level. We cannot leave it to the forty-eight states to deal with it individually.

Mass unemployment has the same disintegrating effect upon our national economy as an atomic bomb has on the physical structure of any city it may hit. Of course, its primary damage is felt most keenly by the people who lose their jobs. But it also knocks the props out of business and the farmers who must depend upon the purchasing power of all the people to market their products.

In his report, Mr. Snyder recommends speedier reconversion, tax relief and higher wages as the best methods of combatting unemployment and creating an adequate supply of new jobs for displaced war workers and returning veterans. Labor supports this statesmanlike program.

But there are other important steps which can and should be taken to help those temporarily unemployed to find new jobs. One of these is the establishment of a national system of employment offices.

A bill to accomplish this end was introduced in Congress this week by Senators Murray, Wagner and Mead. It should have the support of the American people. Previously the Senate had adopted a legislative rider returning control of the United States Employment Service to the states. That move should be reversed.

The purpose of public employment agencies is to inform the unemployed where jobs may be found. A state agency would be severely handicapped in this respect because it would not know about jobs outside of its territorial limits. During the war there occurred mass migrations of workers from surplus manpower areas to centers of war industry. In the post-war period, reverse migrations will have to take place in order to guide workers to peacetime production centers. Only a national agency can direct these movements intelligently.

The only factor in favor of state control is political patronage. Surely the needs of our returning servicemen and stranded war workers deserve greater consideration than the demands of a few political plums.

The American Federation of Labor hopes that Congress will deal with this issue in a statesmanlike way and approve the Murray-Wagner-McMahon bill.

Taxes Are Coming Down

By BORIS SHISHKIN
AFL Economist

Early this week the Treasury placed before Congress its new tax program. Before the week was over, the House Ways and Means Committee rushed the Treasury recommendations into a different tax plan. But both agreed on one main objective—to lighten the tax load shared by everyone during the war through a reduction of around five billion dollars.

There is another objective which labor considers of overwhelming importance. It is to keep taxes at such a level as to serve as a check against inflation and at the same time make sure that taxes don't act as a brake against reconversion, which must get under way with all possible speed.

Everyone is for lower taxes. But these taxes are one of the inevitable consequences of the war. America's wartime responsibility has not yet been met. A lasting peace throughout the world is yet to be won. Armies of occupation abroad have to be sustained. At home, delayed public works, aid to housing revival and other means to obtain full employment must be financed. So, for a while, the tax burden on most of us will have to remain high.

Some taxes can and should be reduced. First consideration must be given to individuals and families whose incomes are small and to whom a dollar means most in getting the necessities of life. Secretary of the Treasury Vinson proposes to eliminate the three percent normal income tax altogether. Labor strongly endorses this proposal. It will mean that over twelve million low-bracket taxpayers will be completely released from income taxation.

A strong drive is on to cut taxes on corporate profits. This problem should be handled with the utmost statesmanship and not allowed to be engulfed in politics. It is proper to begin a gradual reduction of the excess profits tax on corporations. But the normal tax and the surtax now applying to corporations should be kept intact. A reduction in the excess profits tax would eliminate the competitive disadvantage of new firms as against older companies which earned profits before the war and are therefore allowed to escape a large measure of excess profits taxation.

A postwar corporation tax program should be designed to help speed up the pace of business enterprise and thus contribute to full employment and full prosperity. Such taxes should be fairly distributed, giving no one an unfair advantage in postwar business. Above all, it should be recognized that if corporation taxes are reduced too sharply, individual taxes must rise.

What we need is a well-balanced and truly equitable tax plan which would help achieve lasting prosperity for all Americans.

SAY, LISTEN!

For the rest of this year, the AFL presents each Saturday evening at 6:45 P.M., EST, over the nation-wide network of the American Broadcasting Company a radio news-magazine, featuring the latest news at home and abroad and special reports by expert commentators on important labor problems. This program is listed in the radio columns of your newspaper as "Labor-U.S.A." Our own subtitle for the program is "The American Federationist of the Air." Don't miss these bright, newsy broadcasts! Listen every Saturday night!

Wage Boost of 15 Percent Rumored; Situation In Congress Is "Snafu"

Washington, D. C.—Wild speculation regarding changes in the government's labor policy enveloped the nation's capital as Secretary of Labor Schwellenbach struggled to quell the wave of reconversion strikes and Congress continued its sit-down against labor.

One of the rumors which gained increasing credence was to the effect that the War Labor Board, the Office of Price Administration and other agencies were under pressure by Schwellenbach to develop a new wage policy which would permit wage rate increases of 15 percent immediately even if price boosts resulted.

This would require a new interpretation of President Truman's last Executive Order on wages or, perhaps, an amendment to that order.

It was reported that Secretary Schwellenbach was anxious to clear up threatened industrial disturbances promptly in order to create a peaceful and harmonious atmosphere for the forthcoming labor-management conference which is expected to recommend new procedures for the orderly settlement of industrial disputes.

Whether a flat 15 percent increase in wage rates would prove satisfactory to labor at this time was considered problematical in view of the much larger losses in take-home pay suffered by workers as the result of loss of overtime and incentive bonuses.

Meanwhile, Congress made no move to do anything about emergency labor legislation urgently recommended by President Truman for "must" action.

Despite their conference with the President at the White House, members of the House Ways and Means Committee continued to bottle up the Kilgore Unemployment Compensation bill and there was no sign of its being rescued from the committee's pigeonhole.

The House Committee on Expenditures held hearings on the watered-down Full Employment bill passed by the Senate, giving ample opportunities to opponents of the measure and showing no disposition to speed action.

Altogether the situation was just what the GIs call "Snafu."

AFL Union Seeks FM Licenses To Operate Four Radio Stations

Washington, D. C.—The International Ladies Garment Workers Union applied to the Federal Communications Commission for licenses to operate frequency modulation radio stations in New York; Boston, Philadelphia and Chattanooga.

The program calls for the incorporation of a special company for each of the stations, to be managed by local representatives.

Fred F. Umbey, executive secretary of the union, emphasized that while the ILGWU was starting the project it would expect that after preliminary financing the local communities would undertake to carry on the station on their own as community projects, not as labor propaganda agencies.

The ILGWU, Mr. Umbey added, had set aside more than $250,000 to begin the ventures.

"These are FM-sponsored stations," he pointed out, "are not to be maintained through union subsidies. They will sell time to an extent that will make them self-sustaining. From that point on, however, they will cease to be profit-making enterprises and will devote most of their time to social, cultural and spiritual programs."

AFL Unions Actively Aid Veterans Survey By Federationist Shows

Washington, D. C.—AFL groups in many cities are performing notable services for returning ex-servicemen, according to a survey published in the current issue of the American Federationist.

The survey gave honorable mention to the St. Paul Veterans Labor Assembly, which has established a Veterans Service Center on the first floor of the Labor Temple under the direction of William Looby, of the Sheet Metal Workers' Union, who served in the first World War and is a member of both the American Legion and the Veterans of Foreign Wars.

At the center veterans are given information on their rights and benefits under veterans legislation, where to look for a job, how to get apprenticeship training, and how to invest money in order to build a home and what union to join if they wish to do so.

The Federationist article points out that the AFL called upon all its local affiliates to set up special committees to help veterans find employment and that the AFL's Labor League for Human Rights also has advised AFL affiliates to become active in community activity for veterans. One survey conducted by the AFL magazine disclosed communities activities in the following cities:

Boston—Two AFL representatives take an active part in job counseling at the Veterans' Center.

Buffalo—The Veterans' Information Center is governed by a citizens' committee. The advice and cooperation of the AFL are solicited. All inquiries from returning veterans of AFL unions are referred to the Buffalo Federation of Labor or the appropriate local union.

An AFL committee arranged a conference to set up a program of apprenticeship training for veterans.

Los Angeles—The AFL helps to bear the financial cost of the city's Veterans' Center. The July 1945 AFL Employment and Rehabilitation Section successfully handled 485 referrals.

Portland, Oregon—The Portland Central Labor Council has spent $3000 to furnish one floor of the new Veterans' club, known as the George White Memorial. It contains and presents each new member from the armed forces with a set of tools.

Seattle—AFL unions have active in all veterans' projects. An AFL member heads the city's Veterans' Referral Center.

Aurora, Illinois—The AFL is fully represented on the city's Council on Veterans' Affairs.

Columbus, Ohio—The AFL cooperated in setting up the Veterans' Service Center and an AFL representative is serving on the center's advisory committee.

Dayton, Ohio—An AFL representative is chairman of the Committee on Returning Veterans, sponsored by the Council of Social Agencies. The Dayton program is considered one of the best because of close coordination between all agencies.

Frankfort, Kentucky—AFL representatives are active in all community projects in behalf of veterans.

Gary, Indiana—The AFL helped to set up a Veterans' Service Center and is represented on its board of governors.

Grand Rapids, Michigan—The AFL assisted in setting up a Veterans' Service Center and is represented on its administrative committee. A committee of 3 serves with the center's personnel.

New Frey Book Just Off Press

Washington, D. C.—Just off the press is a new history of trade unions by John P. Frey, president of the Metal Trades Department of the American Federation of Labor and one of the veterans of the labor movement. It is entitled "Craft Unions of Ancient and Modern Times."

The book traces the course of the trade union movement from its early beginnings in antiquity, through the development of civilization and into the present day structure in America. It is appropriately published in the American Federationist.

Trade union history has been Mr. Frey's hobby for many years. He spent a great deal of time and effort and research in preparation of his material, which is presented with skillful and painstaking care.

Copies of the book may be obtained by writing to the Metal Trades' Department, Room 402, AFL Building, Washington, D. C. The price is $1.50.

WLB REFUSES TO CUT RECONVERSION PAY RATES

Washington, D. C.—In its first decision on a wage reduction proposal, the War Labor Board denied a request of the American Car and Foundry Company of Wilmington, Del., for approval of a lowering of mechanics' rates, coincident with the change from war to peace-time production. Industry members dissented.

In many instances during the war, employers who changed from the production of civilian goods to war products were permitted to raise their wage rates to the prevailing level of that particular industry to enable them to compete for available skilled manpower. The reconversion of these concerns raised the question whether wage rates should go back.

The board wrote no opinion in the American Car and Foundry case, but members have said that the important consideration in such cases was whether the required skills of the particular jobs underwent a change in the process of changing the product.

Council To Draft Policy For Industrial Stability

Eight Delegates For AFL At Labor-Industry Parley

Washington, D. C.—The planning committee for the coming management-labor conference agreed on representation of 18 for each side and decided not to advance the opening date of Nov. 5.

The 18 delegates for labor will be named as follows: 8 by the American Federation of Labor, 8 by the Congress of Industrial Organizations; 1 representing the independent railroad brotherhoods, and 1 representing the United Mine Workers of America.

Labor representation on the 3 principal committees, executive, resolutions and rules, would be limited, however, to the AFL and the CIO.

Employer representation would be divided equally between the Chamber of Commerce of the United States and the National Association of Manufacturers.

The agreements on representation, procedure and agenda are in the form of recommendations to the conference itself. Secretary of Labor Schwellenbach announced that there was substantial agreement on the agenda and the language was being drafted.

It was recommended that the opening session of the conference be addressed by President Truman. The committee has in mind "an eminent private citizen" to act as chairman but withheld his name until his acceptance is secured.

The chairman and the Secretaries of Labor and Commerce will be non-voting members of the conference.

AFL Leaders Will Consider Many Major Problems At Meeting

Cincinnati—The Executive Council of the American Federation of Labor plans to draft a policy for the establishment of industrial peace at its meeting here which begins Oct. 15.

The Executive Council's program will then be submitted by the AFL's delegates to the Labor-Management Conference, called by President Truman for Nov. 5, as the basis of a new national labor policy.

Many other subjects will be considered at the fall session of the council, but the question of labor-management relations during reconversion and the ensuing post-war period is regarded as paramount.

The present unrest and disturbances which are delaying the reconversion program are troubling the leaders of the American Federation of Labor no less than the leaders of the government.

The AFL chiefs believe a way can be found for the orderly settlement of disputes in peacetime if the proper spirit of cooperation is developed between labor and management and if effective machinery is set up by the government.

One of the key factors in the present situation is the lack of a clear-cut wage policy. The entire subject of wage rates as compared with prices and with the shorter work week will be taken up by the Executive Council which is expected to issue a sharp declaration on the subject.

Entering into the wage picture is congressional action on taxes. It appears likely that Congress will vote substantial tax relief to corporations for 1946. The extra funds available for business can be used to increase wage rates without cutting into profits or affecting costs, in the opinion of many labor economists. The Executive Council also is expected to state its views with regard to the need for reducing taxes on low incomes so that the wage earners may obtain some relief.

The present attitude of Congress toward vital labor legislation, such as unemployment compensation and full employment bills, will be searchingly explored by the council. AFL leaders do not feel that Congress has not only let President Truman down but the nation and its workers as well.

Another timely and important subject which the Executive Council may delve into is the status of world peace and America's relations with its allies in the war. The AFL chiefs may decide to speak their minds on the failure of the recent Foreign Ministers' Conference in London and the fate of labor organizations in Europe where freedom and democracy are not quickly restored to submerged nations.

In this connection, the failure of Great Britain to permit increased immigration of Jews into Palestine is expected to be protested at the council meeting. The AFL has consistently and strongly favored the establishment of Palestine as a Jewish national homeland after victory.

Other international problems which may be passed upon by the Executive Council include what shall be done about the atomic bomb secret and the broader question of development of atomic power in its relation to the nation's industrial life.

The Executive Council at its last meeting canceled the AFL's convention this year when it appeared that travel restrictions would make such a convention impossible. Hotel reservations were also canceled. The council will decide now whether it is still possible to hold a convention this year and, if not, what substitute procedure may be adopted.

There is one vacancy on the Executive Council due to the recent death of Vice President Edward Flore, president of the Hotel and Restaurant Workers. The council may decide to fill this vacancy at its meeting or it may postpone action until the next meeting or until the AFL's next convention.

Rate of Job Layoffs Tailing Off; New Employment Openings Rising

Washington, D. C.—The heavy rate of job layoffs which followed V-J Day is dropping considerably while increasing numbers of new jobs, mostly in low-pay brackets, are opening up, the Bureau of Labor Statistics reported.

This does not mean unemployment has reached its peak, because jobs are not expected to increase as rapidly as men are released from the armed forces.

First claims for unemployment compensation averaged 60,000 a week just before the end of the war and rose to 600,000 in the week ended Aug. 25. They have since declined to a weekly volume of less than 250,000.

In terms of unemployment, the bureau stated, first impact of the end of the war was over and a rise is now expected in some quarters. For the week ended Sept. 8, the monthly report of the Census Bureau on the labor force showed unemployment as 1,700,000, a rise of 600,000 from the level of 800,000 at the end of the war. This was in part the fortuitous result of a net reduction of 1,100,000 persons in the civilian labor force as many youngsters returned to school.

There was some indication of the voluntary withdrawals of women from the labor force, the increase in unemployment during the month being smaller among women than among men.

Interpreting the figures gathered by the bureau, A. F. Hinrichs, Acting Commissioner of Labor Statistics, said:

"We should anticipate a simultaneous rise in both employment and unemployment in the months ahead. A turning point in over-all employment has been reached and more people will be employed in November and December than are employed today.

"However, it is not to be expected that unemployment will increase as rapidly as men are released from the armed forces. More than 3,500,000 men and women will be discharged from the armed forces in the three months ending Dec. 31, as contrasted with 700,000 in September and 200,000 in August. Even though a substantial number of people will voluntarily leave the labor market, the number of unemployed will increase."

AFL Attacks Federated Press For False Story On Sen. Morse

Washington, D. C.—AFL President William Green personally assured Senator Wayne B. Morse, of Oregon, that the American Federation of Labor had no connection with the AFL and has been bitterly condemned as being hostile to AFL interests, sent out mats of Senator Morse's photograph with a caption declaring he had attacked the Full Employment bill with a series of amendments which would destroy the effectiveness of the bill.

"Nothing could be further from the truth," Mr. Green said. "Senator Morse is one of the sponsors of this bill and has consistently supported the enactment of effective legislation on this all-important subject. His amendments were worked out with the full approval of the other Senators who sponsored the bill."

Mr. Green called upon any AFL publications which published the misleading release circulated by Federated Press to print full and complete retractions. At the same time he urged unions which desire to follow AFL policies to refrain from using material distributed by unofficial labor news agencies, such as Federated Press, which is edited along extreme left-wing views.

UNION LABOR LEGION POST CREATED IN NEW ORLEANS

New Orleans, La.—The first Union Labor-Legion Post created in this city has been established under the name of the Ralph Pascacio Post of the American Legion. Its membership is composed of local AFL unions who have seen war service. The post was named after a New Orleans union worker who gave his life in World War II.

E. Pat Halligan was elected commander of the post, which was organized under the direction of the National Conference of Union Labor Legionnaires, composed of similar union posts throughout the nation.

SENIORITY RIGHTS UPHELD IN NAVY YARD LAYOFFS

A long campaign by AFL unions, particularly those representing navy yard workers, for recognition by Civil Service of seniority rights has finally brought results.

The Civil Service Commission announced new regulations governing seniority—that is, length of service—will be the main factor in determining who shall be laid off first as wartime working forces are reduced.

In the past, layoffs were governed by "efficiency ratings" or only by the whim of officials in charge, but now seniority will get prime consideration, with merit ratings secondary. Seniority will also be the governing factor in determining a worker's position on civil service reemployment registers.

"This is a step in the right direction," declared President N. P. Alfus of District 44, International Association of Machinists. "Seniority has been recognized in private industries for years, and we have been battling for similar protection in the government service. We hope that in the future even more weight will be given to seniority."

$21 WEEKLY WAGE FLOOR FOR N. Y. RETAIL TRADE

New York City.—An order for a $21-a-week basic minimum wage for retail trade employes in New York State was signed here by Industrial Commissioner Edward Corsi, who said it would mean pay rises of $6,000,000 a year for 110,000 workers.

The order followed public hearings in New York and four other cities, in which some employers complained the new rates would be excessive and result in lay-offs, while labor representatives contended they did not go far enough.

Commissioner Corsi called the order "part of a state-wide program of minimum wage revisions embracing approximately 1,000,000 workers. Under this, boards for 6 other industries—the laundry, beauty, confectionery, cleaning and dyeing, restaurant and hotel trades—will be reconvened probably before the end of the year, to examine the need for increase now ranging from 20 to 24 cents an hour.

AFL FAVORS FOUNDATION FOR ATOMIC RESEARCH

Washington, D. C.—The American Federation of Labor went on record in favor of legislation to establish a national research foundation, financed and controlled by the government, to supervise development of atomic power and other war-born scientific discoveries.

MEANY IS HONORED FOR OUTSTANDING SERVICE

Hershey, Pa.—George Meany, national secretary and treasurer of the American Federation of Labor, has been named to receive an award for "the most outstanding contribution to the welfare of workers" in 1945, Herbert H. Miller, director of organization for the Pennsylvania Council of Public Employes of the American Federation of State, County and Municipal Employes, announced the selection at the end of a 5-day session here. The award will be presented by the state organization in December.